

SAVE THE 2/3'S VOTE FOR TAX INCREASES (AGAIN)

COMPLETE TEXT

AN ACT Relating to taxes and fees imposed by state government; amending RCW 43.135.034, 43.135.055, 43.135.031, 43.135.041, and 29A.72.283; reenacting and amending RCW 29A.32.070; creating new sections in chapter 43.135 RCW; creating new sections; and repealing 2010 c 4 s 2.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

INTENT

NEW SECTION. **Sec. 1.** The people intend by this act to affirm their support for the policies embodied in Initiative 1053, approved by voters in 2010 and Initiative 960, approved by voters in 2007. The people insist that tax increases receive either two-thirds legislative approval or voter approval and fee increases receive a simple majority vote. These important policies ensure that taxpayers will be protected and that taking more of the people's money will always be an absolute last resort.

PROTECTING TAXPAYERS BY REQUIRING EITHER TWO-THIRDS LEGISLATIVE APPROVAL OR VOTER APPROVAL FOR THE LEGISLATURE TO RAISE TAXES

Sec. 2. RCW 43.135.034 and 2011 c 1 s 2 are each amended to read as follows:

(1) (a) ~~((After July 1, 1995, a))~~ Any action or combination of actions by the legislature that raises taxes may be taken only if approved by ~~((at least))~~ a two-thirds ~~((legislative approval))~~ vote in both the house of representatives and the senate. Pursuant to the referendum power set forth in Article II, section 1(b) of the

state Constitution, tax increases may be referred to the voters for their approval or rejection at an election.

(b) For the purposes of this chapter, "raises taxes" means any action or combination of actions by the state legislature that increases state tax revenue deposited in any fund, budget, or account, regardless of whether the revenues are deposited into the general fund.

(2)(a) If the legislative action under subsection (1) of this section will result in expenditures in excess of the state expenditure limit, then the action of the legislature shall not take effect until approved by a vote of the people at a November general election. The state expenditure limit committee shall adjust the state expenditure limit by the amount of additional revenue approved by the voters under this section. This adjustment shall not exceed the amount of revenue generated by the legislative action during the first full fiscal year in which it is in effect. The state expenditure limit shall be adjusted downward upon expiration or repeal of the legislative action.

(b) The ballot title for any vote of the people required under this section shall be substantially as follows:

"Shall taxes be imposed on in order to allow a spending increase above last year's authorized spending adjusted for personal income growth?"

(3)(a) The state expenditure limit may be exceeded upon declaration of an emergency for a period not to exceed twenty-four months by a law approved by a two-thirds vote of each house of the legislature and signed by the governor. The law shall set forth the nature of the emergency, which is limited to natural disasters that require immediate government action to alleviate human suffering and provide humanitarian assistance. The state expenditure limit may be exceeded for no more than twenty-four months following the declaration of the emergency and only for the purposes contained in the emergency declaration.

(b) Additional taxes required for an emergency under this section may be imposed only until thirty days following the next general election, unless an extension is approved at that general election. The additional taxes shall expire upon expiration of the declaration of emergency. The legislature shall not impose additional taxes for emergency purposes under this subsection unless funds in the education construction fund have been exhausted.

(c) The state or any political subdivision of the state shall not impose any tax on intangible property listed in RCW 84.36.070 as that statute exists on January 1, 1993.

(4) If the cost of any state program or function is shifted from the state general fund to another source of funding, or if moneys are transferred from the state general fund to another fund or account, the state expenditure limit committee, acting pursuant to RCW 43.135.025(5), shall lower the state expenditure limit to reflect the shift. For the purposes of this section, a transfer of money from the state general fund to another fund or account includes any state legislative action taken that has the effect of reducing revenues from a particular source, where such revenues would otherwise be deposited into the state general fund, while increasing the revenues from that particular source to another state or local government account. This subsection does not apply to: (a) The dedication or use of lottery revenues under RCW 67.70.240(3), in support of education or education expenditures; or (b) a transfer of moneys to, or an expenditure from, the budget stabilization account.

(5) If the cost of any state program or function and the ongoing revenue necessary to fund the program or function are shifted to the state general fund on or after January 1, 2007, the state expenditure limit committee, acting pursuant to RCW 43.135.025(5), shall increase the state expenditure limit to reflect the shift unless the shifted revenue had previously been shifted from the general fund.

~~(6) For the purposes of chapter, "raises taxes" means any action or combination of actions by the legislature that increases state tax revenue deposited in any fund, budget, or account, regardless of whether the revenues are deposited into the general fund.~~

Sec. 3. 2010 c 4 s 2 is repealed.

**PROTECTING TAXPAYERS BY REQUIRING FEE INCREASES
RECEIVE A SIMPLE MAJORITY VOTE**

Sec. 4. RCW 43.135.055 and 2011 c 1 s 5 are each amended to read as follows:

(1) A fee may only be imposed or increased in any fiscal year if approved with a simple majority (~~((legislative approval))~~) vote in both the house of representatives and the senate and must be subject to the accountability procedures required by RCW 43.135.031.

(2) This section does not apply to an assessment made by an agricultural commodity commission or board created by state statute or created under a marketing agreement or order under chapter 15.65 or 15.66 RCW, or to the forest products commission, if the assessment is approved by referendum in accordance with the provisions of the statutes creating the commission or board or chapter 15.65 or 15.66 RCW for approving such assessments.

**PROTECTING TAXPAYERS BY REQUIRING THE LEGISLATURE TO ABIDE BY THE
LEGISLATIVE TRANSPARENCY ACT FOR BILLS THAT INCREASE TAXES OR FEES**

NEW SECTION. **Sec. 5.** A new section is added to chapter 43.135 RCW and reads as follows:

(1) Unless the legislature exempts itself under subsection (2), the legislature shall abide by the following transparency policies:

(a) All bills introduced, and any proposed substitute, striking amendment, or conference committee report containing a tax or fee increase thereon, must be made publicly available to the members of the Legislature and the public at least seventy-two hours before such a bill is eligible for a public hearing, is eligible for legislative action, or is eligible to be voted on by the senate or the house of representatives.

(b) At least seventy-two hours notice shall be given of all public hearings of any bill containing a tax or fee increase held by any legislative committee. Such notice shall contain the date, time

and place of such hearing together with the title and number of each bill, or identification of the subject matter, to be considered at such hearing.

(c) No bill containing a tax or fee increase shall be eligible for legislative action of any kind unless it has first been subject to a public hearing in the same session of consideration.

(d) No bill containing a tax or fee increase shall be eligible for legislative action on the floor of either the senate or house of representatives until forty-eight hours after it has been placed on the floor calendar.

(e) No bill containing a tax or fee increase shall be eligible for final passage in either house of the Legislature unless copies of the bill, in the final form to be passed, have been made available to the members of that house of the Legislature and the public for at least twenty-four hours.

(f) No bill containing a tax or fee increase shall be eligible for public hearing or legislative consideration of any kind unless the bill lays forth in full the changes to any act or sections of law. Title only bills related to a tax or fee increase shall be prohibited.

(2) At the beginning of each legislative session or special session, the legislature may, with a simple majority vote in the house and senate, adopt a stand-alone bill that exempts that session of the legislature from the transparency policies required by this section of this act.

STATUTORY REFERENCE CORRECTIONS

Sec. 6. RCW 43.135.031 and 2010 c 1 s 2 are each amended to read as follows:

(1) For any bill introduced in either the house of representatives or the senate that raises taxes as defined by (~~(*RCW 43.135.035)~~) subsection (7) or increases fees, the office of financial management must expeditiously determine its cost to the taxpayers in its first ten years of imposition, must promptly and without delay report the results of its analysis by public press

release via e-mail to each member of the house of representatives, each member of the senate, the news media, and the public, and must post and maintain these releases on its web site. Any ten-year cost projection must include a year-by-year breakdown. For any bill containing more than one revenue source, a ten-year cost projection for each revenue source will be included along with the bill's total ten-year cost projection. The press release shall include the names of the legislators, and their contact information, who are sponsors and cosponsors of the bill so they can provide information to, and answer questions from, the public.

(2) Any time any legislative committee schedules a public hearing on a bill that raises taxes as defined by (~~(*RCW 43.135.035)~~) subsection (7) or increases fees, the office of financial management must promptly and without delay report the results of its most up-to-date analysis of the bill required by subsection (1) of this section and the date, time, and location of the hearing by public press release via e-mail to each member of the house of representatives, each member of the senate, the news media, and the public, and must post and maintain these releases on its web site. The press release required by this subsection must include all the information required by subsection (1) of this section and the names of the legislators, and their contact information, who are members of the legislative committee conducting the hearing so they can provide information to, and answer questions from, the public.

(3) Each time a bill that raises taxes as defined by (~~(*RCW 43.135.035)~~) subsection (7) or increases fees is approved by any legislative committee or by at least a simple majority in either the house of representatives or the senate, the office of financial management must expeditiously reexamine and redetermine its ten-year cost projection due to amendment or other changes during the legislative process, must promptly and without delay report the results of its most up-to-date analysis by public press release via e-mail to each member of the house of representatives, each member of the senate, the news media, and the public, and must post and maintain these releases on its web site. Any ten-year cost

projection must include a year-by-year breakdown. For any bill containing more than one revenue source, a ten-year cost projection for each revenue source will be included along with the bill's total ten-year cost projection. The press release shall include the names of the legislators, and their contact information, and how they voted on the bill so they can provide information to, and answer questions from, the public.

(4) For the purposes of this section, "names of legislators, and their contact information" includes each legislator's position (senator or representative), first name, last name, party affiliation (for example, Democrat or Republican), city or town they live in, office phone number, and office e-mail address.

(5) For the purposes of this section, "news media" means any member of the press or media organization, including newspapers, radio, and television, that signs up with the office of financial management to receive the public press releases by e-mail.

(6) For the purposes of this section, "the public" means any person, group, or organization that signs up with the office of financial management to receive the public press releases by e-mail.

(7) For the purposes of this chapter, "raises taxes" means any action or combination of actions by the state legislature that increases state tax revenue deposited in any fund, budget, or account, regardless of whether the revenues are deposited into the general fund.

Sec. 7. RCW 43.135.041 and 2010 c 4 s 3 are each amended to read as follows:

(1)(a) After July 1, 2011, if legislative action raising taxes as defined by (~~(*RCW 43.135.035)~~) subsection (5) is blocked from a public vote or is not referred to the people by a referendum petition found to be sufficient under RCW 29A.72.250, a measure for an advisory vote of the people is required and shall be placed on the next general election ballot under this chapter(~~(1, Laws of 2008)~~).

(b) If legislative action raising taxes enacted after July 1,

2011, involves more than one revenue source, each tax being increased shall be subject to a separate measure for an advisory vote of the people under the requirements of this chapter(~~(1, Laws of 2008)~~).

(2) No later than the first of August, the attorney general will send written notice to the secretary of state of any tax increase that is subject to an advisory vote of the people, under the provisions and exceptions provided by this chapter(~~(1, Laws of 2008)~~). Within five days of receiving such written notice from the attorney general, the secretary of state will assign a serial number for a measure for an advisory vote of the people and transmit one copy of the measure bearing its serial number to the attorney general as required by RCW 29A.72.040, for any tax increase identified by the attorney general as needing an advisory vote of the people for that year's general election ballot. Saturdays, Sundays, and legal holidays are not counted in calculating the time limits in this subsection.

(3) For the purposes of this section, "blocked from a public vote" includes adding an emergency clause to a bill increasing taxes, bonding or contractually obligating taxes, or otherwise preventing a referendum on a bill increasing taxes.

(4) If legislative action raising taxes is referred to the people by the legislature or is included in an initiative to the people found to be sufficient under RCW 29A.72.250, then the tax increase is exempt from an advisory vote of the people under this chapter(~~(1, Laws of 2008)~~).

(5) For the purposes of this chapter, "raises taxes" means any action or combination of actions by the state legislature that increases state tax revenue deposited in any fund, budget, or account, regardless of whether the revenues are deposited into the general fund.

NEW SECTION. **Sec. 8.** A new section is added to chapter 43.135 RCW and reads as follows:

(1) (a) If the legislature does not approve, and refer to voters for ratification, a constitutional amendment requiring two-thirds legislative approval or majority voter approval for 'raising taxes' as defined by and as required by Initiative 960, approved by voters in 2007, Initiative 1053, approved by voters in 2010, and this act, approved by voters in 2012, a measure for an advisory vote of the people is required and shall be placed on the next general election ballot under this chapter.

(2) No later than the first of August, the attorney general will send written notice to the secretary of state of the legislature's failure to let the people vote on a constitutional amendment requiring two-thirds legislative approval or majority voter approval for 'raising taxes' as defined by and as required by Initiative 960, approved by voters in 2007, Initiative 1053, approved by voters in 2010, and this act, approved by voters in 2012. Within five days of receiving such written notice from the attorney general, the secretary of state will assign a serial number for a measure for an advisory vote of the people and transmit one copy of the measure bearing its serial number to the attorney general as required by RCW 29A.72.040. Saturdays, Sundays, and legal holidays are not counted in calculating the time limits in this subsection.

Sec. 9. RCW 29A.72.283 and 2008 c 1 s 8 (Initiative Measure No. 960, approved November 6, 2007) are each amended to read as follows:

Within five days of receipt of a measure for an advisory vote of the people from the secretary of state under RCW 29A.72.040 the attorney general shall formulate a short description (~~((not exceeding thirty-three words and))~~), not subject to appeal, of each tax increase and of each failure of the legislature to let the people vote on a constitutional amendment under section 7 of this act and shall transmit a certified copy of such short description meeting the requirements of this section to the secretary of state.

(a) The description for each tax increase must be formulated and displayed on the ballot substantially as follows:

"The legislature imposed, without a vote of the people, (identification of tax and description of increase), costing (most up-to-date ten-year cost projection, expressed in dollars and rounded to the nearest million) in its first ten years, for government spending. This tax increase should be:

Repealed . . . []
Maintained . . . []

The people want the legislature to approve, and refer to voters for ratification, a constitutional amendment requiring two-thirds legislative approval or majority voter approval for 'raising taxes' as defined by and as required by Initiative 960, approved by voters in 2007, Initiative 1053, approved by voters in 2010, and Initiative ####, approved by voters in 2012."

(b) The description for the failure of the legislature to let the people vote on a constitutional amendment under section 7 of this act must be formulated and displayed on the ballot substantially as follows:

"Do you support or oppose having the legislature refer to a vote of the people a constitutional amendment requiring two-thirds legislative approval or majority voter approval for 'raising taxes' as defined by and as required by Initiative 960, approved by voters in 2007, Initiative 1053, approved by voters in 2010, and Initiative ####, approved by voters in 2012?"

Support . . . []
Oppose . . . []"

Saturdays, Sundays, and legal holidays are not counted in calculating the time limits in this section. ((~~The words "This tax increase should be: Repealed . . . [] Maintained . . . []" are not counted in the thirty-three word limit for a short description under this section.~~))

Sec. 10. RCW 29A.32.070 and 2009 c 415 s 5 are each reenacted and amended to read as follows:

The secretary of state shall determine the format and layout of the voters' pamphlet published under RCW 29A.32.010. The secretary of state shall print the pamphlet in clear, readable type on a size, quality, and weight of paper that in the judgment of the secretary of state best serves the voters. The pamphlet must contain a table of contents. Measures and arguments must be printed in the order specified by RCW 29A.72.290.

The voters' pamphlet must provide the following information for each statewide issue on the ballot except measures for an advisory vote of the people whose requirements are provided in subsections (11) and (12) of this section:

(1) The legal identification of the measure by serial designation or number;

(2) The official ballot title of the measure;

(3) A statement prepared by the attorney general explaining the law as it presently exists;

(4) A statement prepared by the attorney general explaining the effect of the proposed measure if it becomes law;

(5) The fiscal impact statement prepared under RCW 29A.72.025;

(6) The total number of votes cast for and against the measure in the senate and house of representatives, if the measure has been passed by the legislature;

(7) An argument advocating the voters' approval of the measure together with any statement in rebuttal of the opposing argument;

(8) An argument advocating the voters' rejection of the measure together with any statement in rebuttal of the opposing argument;

(9) Each argument or rebuttal statement must be followed by the names of the committee members who submitted them, and may be followed by a telephone number that citizens may call to obtain information on the ballot measure;

(10) The full text of (~~the~~) each measure;

(11) Two pages shall be provided in the general election voters' pamphlet for each measure for an advisory vote of the people under

RCW 43.135.041 and shall consist of the serial number assigned by the secretary of state under RCW 29A.72.040, the short description formulated by the attorney general under RCW 29A.72.283, the tax increase's most up-to-date ten-year cost projection, including a year-by-year breakdown, by the office of financial management under RCW 43.135.031, and the names of the legislators, and their contact information, and how they voted on the increase upon final passage so they can provide information to, and answer questions from, the public. For the purposes of this subsection, "names of legislators, and their contact information" includes each legislator's position (senator or representative), first name, last name, party affiliation (for example, Democrat or Republican), city or town they live in, office phone number, and office e-mail address.

(12) The front of one page shall be provided in the general election voters' pamphlet for each measure for an advisory vote of the people under section 7 of this act and shall consist of the serial number assigned by the secretary of state under RCW 29A.72.040 and the short description formulated by the attorney general under RCW 29A.72.283.

CONSTRUCTION CLAUSE

NEW SECTION. **Sec. 11.** The provisions of this act are to be liberally construed to effectuate the intent, policies, and purposes of this act.

SEVERABILITY CLAUSE

NEW SECTION. **Sec. 12.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

MISCELLANEOUS

NEW SECTION. **Sec. 13.** This act is known and may be cited as
"Save The 2/3's Vote For Tax Increases (Again) Act."

-- END --